

Type: System **SUBJECT: Bank Reconciliation** Date: June 2009

Introduction

An annual review was undertaken on the Bank Reconciliation process to confirm how the process operates and verify agreement with the general ledger.

Scope and Coverage

The audit review was undertaken using the systems-based auditing approach, identifying the system and controls, evaluating and testing in relation to the system objectives.

This audit is at interim stage. Verification to the main accounting system has been completed and further work is continuing. All documentation has been updated as appropriate. Findings, conclusions and recommendations will be discussed with management prior to inclusion in a formal report or memorandum.

The Bank Reconciliation process performs its primary role in agreeing the cash book to the bank account(s) but additionally it is used for verifying the integrity of the ledger. The audit has examined the March 2009 main reconciliation and the payment account reconciliation in terms of completion and authorisation.

Recommendations

At this stage of the audit there are no recommendations

Governance Statement Assessment

Monthly agreement of the general ledger cash account to the cashbook has been a regular feature of the bank reconciliation process throughout 2008/09. This is an interim report to confirm the completeness of the ledger.